

2006 APPLICATION AND INSTRUCTIONS FOR HOMESTEAD PRESERVATION CREDIT

If you filed a valid 2005 Homestead Preservation Credit application, you **cannot** file for 2006.

You will be able to file in 2007 and every year thereafter.

The Homestead Preservation Act allows qualified individuals to apply for a credit on their real estate property taxes if those taxes increased more than a certain percentage.

To be eligible, a person:

- Must have a federal adjusted gross income of \$72,380 or less (and if married, the combined income may not exceed \$72,380);
- Must be, if single, age 65 or older or be 100 percent disabled; or
- Must have, if married, one spouse age 65 or older and the other spouse 60 or older, or one spouse must be 100 percent disabled.

NOTE: If you file for the credit on property jointly owned with unmarried individuals:

1. All information required on the application must be provided for each owner.
2. Plain paper or additional form(s) may be used.
3. The application(s) must be filed together in the same envelope.

If a person meets the eligibility requirements above, the next step is to determine whether the real estate property tax increased enough to meet the threshold for qualification. In even numbered years, such as 2008, (see note for exception) a

person's property tax bill must increase at least 2.5 percent to qualify. In odd numbered years (such as 2007), the property tax bill must increase at least 5 percent to qualify. The 2006 Homestead Preservation Act can provide a credit to a qualified person's 2007 property tax bill in the amount that **exceeds** that percentage. **Note:** The 2006 credit will be based on the 2004–2005 increase of 5 percent or greater.

Other Important Notes:

- The credit is based on a budget appropriation. Funding for the Homestead Preservation Credit is not guaranteed and, if the appropriated funding does not meet the amount requested, the threshold requirements will be adjusted.
- Two real estate property tax assistance programs are administered by the Department of Revenue — the Homestead Preservation Credit and the Missouri Property Tax Credit Claim. Applicants may receive only one of the credits, so please visit the department's website at **www.dor.mo.gov** to compare the two programs.
- You must reapply next year if you wish to apply for the Homestead Preservation Credit again. This application is for the 2006 application cycle only.

REQUIRED DOCUMENTATION

You will need the following items before you file your application:

- Verification of your 100 percent disability, if applicable.
- Your 2005 federal income tax return, pages 1 and 2, if you did **NOT** file a Missouri income tax return.
- **Paid** real estate tax receipts for 2003, 2004, and 2005 and/or **paid** personal property tax receipts for your mobile home.

HOW TO OBTAIN FORMS

- Access **www.dor.mo.gov/tax**.
- Call (800) 877-6881.
- Write the Department of Revenue, Customer Services Division, P.O. Box 3022, Jefferson City, MO 65105-3022.
- TDD: (800) 735-2966 or fax (573) 526-1881.

2006 FORM HPC INSTRUCTIONS

IMPORTANT FILING INFORMATION

This information is for guidance only and does not state the complete law.

WHEN TO FILE APPLICATION

The 2006 Form HPC must be postmarked between April 1, 2006 and October 16, 2006.

If your application and required attachments are postmarked after October 16, 2006, your credit will be denied.

INFORMATION FOR APPLICANT TO COMPLETE HOMESTEAD PRESERVATION CREDIT APPLICATION

NAME, BIRTHDATE, AGE, AND SOCIAL SECURITY NUMBER

Print or type your name(s), birthdate(s), age(s) and social security number(s) in the space(s) provided. If you, your spouse, or any eligible joint owner do not have a social security number, enter "none" in the appropriate space(s). If married or the property is owned by unmarried individuals, enter all birthdates, even if the applicant died during the calendar year. Only check deceased box if death occurred in 2006. If you filed a joint Form MO-1040 in 2005, you must file a joint Form HPC in 2006. If one applicant is deceased, the surviving applicant must meet the eligibility requirements. See "Am I Eligible Chart".

CURRENT MAILING ADDRESS

Print or type the county in which your homestead property is located, your current mailing address, telephone number, city, state, and zip code in the space(s) provided.

QUALIFICATIONS

If single, you are age 65 or older or if married, one spouse is 65 years of age or older and the other spouse is at least 60 years of age or older on or before January 1, 2006, check the appropriate box.

If you or your spouse is 100 percent disabled, check the appropriate box. You are eligible for the Homestead Preservation Credit, regardless of age. Verification of disability is required. You must attach a copy of one of the following approved forms of verification to your application when filed:

- Letter from the Veterans Administration stating you are 100 percent disabled as a result of military service. To request a copy of the letter call the Veterans Administration at (800) 827-1000.
- Letter from Social Security Administration and/or Form SSA-1099.

Note: You should only select one qualification box.

LINES 1A AND 1B — FEDERAL ADJUSTED GROSS INCOME

To be eligible for the Homestead Preservation Credit your 2005 Federal Adjusted Gross Income, either alone if filing as a single or with your spouse if married filing jointly, must be \$72,380 or less. Enter the amount of your Federal Adjusted Gross Income in the space provided. Use the chart below to find your Federal Adjusted Gross Income.

FEDERAL FORM	LINE
Federal Form 1040	Line 37
Federal Form 1040A	Line 21
Federal Form 1040EZ	Line 4
Federal Form 1040X	Line 1C

You are only required to send a copy of your federal return, if you did not file a 2005 Missouri Individual Income Tax Return. Your application will be rejected if you do not attach these pages, if required.

If filing the Homestead Preservation Credit for

property held in a trust, the trust income must be included on Line 1a.

If you entered your Federal Adjusted Gross Income in the space provided, skip the check box on Line 1b and continue on Line 2.

If you are not required to file a 2005 Federal Income Tax Return, check the no box on Line 1b.

NOTE: You may be eligible for the Property Tax Credit (MO-PTC) if you were not required to file a 2005 Federal Income Tax Return and/or your taxable and nontaxable income is \$25,000 or less if filing single, or \$27,000 or less if married filing combined. You will need to determine which tax credit is more beneficial to you.

LINE 2 — ADDRESS OF HOMESTEAD PROPERTY

Print or type the street address, city, state, and zip code of the homestead property for which credit is being applied. **NOTE: "Homestead" is the dwelling owned and occupied by the claimant and up to five acres of land surrounding it as is reasonably necessary for use of the dwelling as a home.**

Property held in a trust is eligible for the Homestead Preservation Credit if the applicant is the creator of the trust and currently resides at the homestead address. If filing the Homestead Preservation Credit for property held in a trust, the trust income must be included on Line 1a.

****If the eligible owner dies or transfers ownership of the property after mailing the application, you must notify the Department of Revenue because the credit shall be void.**

LINE 3 — PARCEL NUMBER

You must enter the Parcel Number assigned to your homestead property. The Parcel Number should be on your real estate tax receipt. If you are unsure of the Parcel Number, please contact your County Assessor's Office.

LINES 4A and 4B — IMPROVEMENTS

Check the appropriate box(es) to indicate

whether you made improvements during calendar year 2004. If you check no, skip the check box on Line 4b and continue on Line 5a.

If improvements made during calendar year 2004 total more than five percent of the appraised value, you do not qualify for the Homestead Preservation Credit, unless the improvements were made to accommodate a disabled individual.

If improvements were made to accommodate a disabled individual, check the yes box on Line 4b.

LINES 5A, 5B, 5C, AND 5D — ACRES

Enter the total acres of the homestead property on Line 5a. If less than or equal to five acres, check the no box on Line 5b. If the homestead property is **more than five acres**, check the yes box on Line 5b. If your homestead is a mobile home check the yes box on Line 5c.

If your home or farm has more than five acres or you own a mobile home, attach Form 948, Assessor's Certification. Your county assessor will complete this form at your request. If you own a mobile home, the Form 948 must show only the value of the mobile home. Vehicles and other items on the personal property tax receipt are not included.

See "How to Obtain Forms", to obtain Form 948.

LINES 6A AND 6B — AMOUNT OF PAID REAL ESTATE TAX AND/OR PERSONAL PROPERTY TAX

Enter the amount of real estate tax and/or your personal property tax (if homestead is a mobile home) paid for 2004 and 2005 on Lines 6a and 6b.

Do not include special assessments (sewer lateral), penalties, service charges, or interest listed on your tax receipt. You can only claim the taxes on your primary residence that you occupy. Secondary homes do not apply.

To qualify for the Homestead Preservation Credit, you must include a copy of your **paid** real estate property tax receipt and/or **paid** personal property tax receipts, if the homestead property is a mobile home for the tax years 2003, 2004, and 2005. If you did not own the property in 2003, 2004, and 2005, you are not eligible for the credit. ***A copy of cancelled checks or your mortgage statement is not a paid receipt and will not be accepted.***

SIGNATURE AND DATE

You must sign and date your Form HPC in the appropriate space(s). If married, both spouses must sign the application.

MAIL APPLICATION

Mail your application and all required attachments to: Department of Revenue, P.O. Box 478, Jefferson City, MO 65105-0478. The 2006 Form HPC must be postmarked between April 1, 2006 and October 16, 2006.

If your application and required attachments are postmarked after October 16, 2006, your credit will be denied.

Missouri Department of Revenue Tax Assistance Centers

Public hours at the offices listed below are from 7:30 a.m. to 5:30 p.m. Monday through Friday. Individuals with speech or hearing impairments may use TDD (800) 735-2966 or fax (573) 526-1881.

Cape Girardeau

3102 Blattner Dr., Suite 102
(573) 290-5850

Columbia

1500 Vandiver Dr., Room 113
(573) 884-3814

Jefferson City

3400B Knipp Drive
(573) 751-7191

Joplin

1110 E. Seventh St., Suite 400
(417) 629-3070

Kansas City

615 East 13th St., Room B-2
(816) 889-2920

Springfield

149 Park Central Square,
Room 313
(417) 895-6474

St. Louis

3256 Laclede Station Rd.,
Suite 101
(314) 877-0177

St. Joseph

525 Jules, Room 314
(816) 387-2230

Other Important Phone Numbers

Form Ordering

Form Order Questions

(800) 877-6881

(573) 751-5337

Download forms from our web site **www.dor.mo.gov/tax**

Suggestions for Improvements to Forms and Instructions e-mail: **taxsuggest@dor.mo.gov**

Homestead Preservation Credit e-mail: **homestead@dor.mo.gov**

For more information, contact (573) 751-3505.

Federal Privacy Notice

The Federal Privacy Act requires the Missouri Department of Revenue (department) to inform taxpayers of the department's legal authority for requesting identifying information, including social security numbers, and to explain why the information is needed and how the information will be used.

Chapter 143 of the Missouri Revised Statutes authorizes the department to request information necessary to carry out the tax laws of the state of Missouri. Federal law 42 U.S.C. Section 405 (c)(2)(C) authorizes the states to require taxpayers to provide social security numbers.

The department uses your social security number to identify you and process your tax returns and other documents, to determine and collect the correct amount of tax, to ensure you are complying with the tax laws, and to exchange tax information with the Internal Revenue Service, other states, and the Multistate Tax Commission (Chapters 32

and 143, RSMo). In addition, statutorily provided non-tax uses are: (1) to provide information to the Department of Higher Education with respect to applicants for financial assistance under Chapter 173, RSMo and (2) to offset refunds against amounts due to a state agency by a person or entity (Chapter 143, RSMo). Information furnished to other agencies or persons shall be used solely for the purpose of administering tax laws or the specific laws administered by the person having the statutory right to obtain it as indicated above. (For the department's authority to prescribe forms and to require furnishing of social security numbers, see Chapters 135, 143, and 144, RSMo.)

You are required to provide your social security number on your tax return. Failure to provide your social security number or providing a false social security number may result in criminal action against you.

FINAL CHECKLIST BEFORE MAILING YOUR APPLICATION

Your Homestead Preservation Credit may be denied if any of the required documentation and/or information is missing.

Please read instructions if you have any doubt about what is required.

- ☐ Print or type your name(s), birthdate(s), age(s), and social security number(s) in the spaces provided.
- ☐ Print or type your county of homestead, telephone number and mailing address.
- ☐ Check **only one** of the appropriate qualification boxes:
 - If single, you are 65 years of age or older (if married, spouse is at least 60 years of age or older) on or before January 1, 2006, check Box A.
 - If you or your spouse is a 100 Percent Disabled Veteran, check Box B. Attach a copy of the letter from the Veterans Administration. You can call the Veterans Administration at (800) 827-1000 to request the letter.
 - If you or your spouse is 100 Percent Disabled, check Box C. Attach a copy of the letter from the Social Security Administration and/or Form SSA-1099.
- ☐ **If your Federal Adjusted Gross Income is \$72,380 or below:** If you **did not** file a 2005 Missouri Income Tax Return, attach a copy of your 2005 Federal Income Tax Return, pages 1 and 2. If you were not required to file a Federal Tax Return, check the no box on Line 1b.
- ☐ Print or type the street address of the homestead property in the space provided.
- ☐ Improvements made to the homestead during 2004 cannot total more than five percent of the appraised value, unless they were made to accommodate a disabled individual.
- ☐ **If you owned and occupied your home:** Attach a copy of your paid 2003, 2004, and 2005 real estate tax receipts.
- ☐ **If you owned and occupied a mobile home:** Attach a copy of your paid 2003, 2004, and 2005 personal property and/or real estate tax receipts. Attach Form 948, Assessor's Certification.
- ☐ Sign and date Form HPC. (All applicants must sign if more than one owner.)

NOTE: Copies of cancelled checks or mortgage statements are not acceptable for your real estate tax receipt.

Important: Send your Form HPC and all attachments to:
Department of Revenue
P.O. Box 478
Jefferson City, MO 65105-0478

To speak to a phone specialist call: (573) 751-3505
To visit our web site: www.dor.mo.gov